

USAID/Djibouti
Operational Plan

FY 2006

June 2, 2006

Please Note:

The attached RESULTS INFORMATION is from the FY 2006 Operational Plan and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Operational Plan is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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Program Performance Summary FY 2005: Djibouti continues to be a key U.S. ally in the Global War On Terrorism (GWOT). Djibouti hosts the only U.S. military base in Africa, and has demonstrated strong support. Djibouti also plays a crucial role in promoting regional stability and has played a lead role in reconciliation efforts for Somalia. It serves as Ethiopia's main seaport for commercial trade and humanitarian aid. Djibouti also is the location of the Intergovernmental Authority for Development (IGAD) Secretariat, a regional USAID partner. Djibouti is a potential terrorist target because of its porous borders with Somalia and Ethiopia and the Middle East, as well as the presence of the U.S. military base. It is also surrounded by fragile states. Although relatively stable, Djibouti's extreme poverty, high unemployment, chronic food deficits, and humanitarian and social needs make it susceptible to instability.

Djibouti's population is estimated to be 700,000 of which 85 percent live in urban areas. Djibouti also harbors 9,600 refugees from Somalia and Ethiopia. According to the recent 2005 IMF report, Djibouti's economy registered modest improvements averaging 3.2 percent through implementation of the Poverty Reduction Strategy Program (PRSP). The Government of the Republic of Djibouti (GORD) has tried to adhere to the PRSP. The GORD seeks to increase the proportion of the public sector budget devoted to the poverty reduction programs while encouraging growth that is driven by the private sector. The enabling environment for private sector growth will be improved through new labor, investment and commercial codes, strengthening good governance and improving management of public enterprises. The plans call for GDP growth of at least 4.6 percent supported by high level of private and public investment, inflation contained to 2 percent and control of government expenditures. The GORD intends to reform public enterprises, set up a one stop shop for investment services and increase the revenue base through a more efficient tax collection; including the possibility of a VAT and passing on the increase of oil prices to consumers.

Djibouti has also developed new strategies for economic and communication sector liberalization as well as education and health reforms in conformity with established poverty reduction strategy guidelines. These sector reforms are components of a larger strategy to transform Djibouti into a modern commercial center for the Horn of Africa and the Middle East. Important first steps taken towards implementing this ambitious plan include lowering the costs of communications and developing strategies to upgrade its workforce. Djibouti's arid climate and rocky soil are inhospitable to agricultural and large-scale livestock production. Except for large salt deposits, Djibouti has scarce natural resources. Djibouti's external debt was \$28 million of which \$26.5 million is owed to Spain and Italy. Italy is willing to convert the debt if Djibouti will earmark the repayment for social and environmental projects in the budget.

Although social indicators are showing modest improvements due to increased donor and government investments, Djibouti is still ranked 150 among 174 countries in the UNDP's Human Development Index. Low skills levels and poor health are central to Djibouti's development challenges. Although Djibouti made primary school free and mandatory in 1999 when education reforms began, gross enrollment at primary school level was only at 54 percent at the end of calendar year 2004, up from 38 percent in 1999. Girls' primary school enrollment remained low at 42 percent in 2004. There are only four middle schools in the rural areas. Only 40 percent of boys and 33 percent of girls who enroll in school at age six go on to complete primary school. Health indicators are equally low. Life expectancy remains low at 46. Djibouti exhibits high rates of infant and under-five child mortality, estimated at 114 and 165 live births respectively. Maternal mortality is estimated at 740 per 100,000 live births, one of the highest rates in the world. Thirty-one percent of the under-five population suffers from malnutrition and 70 percent of first-graders are malnourished. The vaccination rate is less than 11 per cent for the under-five in the rural areas, although the gross immunization rate is 45 percent in children under five. The HIV/AIDS prevalence rate is 3.0 percent in the general population. Knowledge of HIV/AIDS transmission also is low. Tuberculosis and malaria are widespread. Djibouti currently has the second highest rate of TB in the world.

U.S. Interests and Goals: Ties between the United States and Djibouti have been strengthened since the GWOT began and American soldiers were stationed at Camp Lemonier. Djibouti is one of USAID two strategic countries in Africa, the other is Nigeria. Djibouti is of high strategic importance to U.S. national interest, because of its relative stability and political climate, its strategic location and the economic impact it has in the region as a transport hub. United States interest in Djibouti focuses on creating an

environment that would discourage the development of radical ideology. The DoD has negotiated a 10-year base lease agreement with Djibouti. In 2005, Djibouti continues to be of relevance to U.S. national interests. The U.S. provides assistance to Djibouti to help in strengthening border controls and monitoring. The U.S. also provides 60 percent of Djibouti's humanitarian food assistance to aid refugees, as well as victims of chronic hunger, malnutrition and disease. These are strategic links that contribute to the foreign policy interest of the U.S. as articulated in the joint U.S. Department of State and USAID 2004-2009 Strategic Plan. Specifically, USAID will continue to support the Plan's objectives to "Achieve Peace and Security and Advance Sustainable Development and Global Interests." While the USG's economic assistance program to Djibouti is linked to the GORD's key role in the war on terror, it is also targeted to assist in the economic development and social reforms to improve the quality of life for all Djiboutians.

Donor Relations: The establishment of the USAID office in Djibouti has boosted donor coordination in Djibouti at the sectoral level, particularly in education, health and food security. Under USAID leadership, the Ministry of Education (MOE) established the practice of working meetings with relevant donors to coordinate their activities. Similar coordination exists among key donors in the health sector. USAID often leads these meetings and presides over a number of subcommittees. However, donor coordination at the national level is lacking. USAID implements its program in partnership with the international donor community and in close collaboration with the U.S. military and U.S. Embassy. The French focus on institutional development and reform in education; the U.S. military focuses on school construction, water and sanitation. Arab countries promote development of Arabic language and culture and school construction. The World Bank supports infrastructure and institutional strengthening, health system improvement and mitigating the impact of HIV/AIDS. The European Union (EU) and French Cooperation are working to improve the referral hospital services. UNICEF and WHO continue to provide and support the MOH to improve systems. Currently the largest donors are USAID, France, the World Bank and Saudi Arabia.

USAID and the U.S. Department of Defense collaborate closely in implementation of development programs through a joint work plan or "Memorandum of Understanding" signed between the USAID/Representative and the Commanding General at the Camp. USAID and the U.S. military collaborate in the rehabilitation of education and health infrastructure. USAID provides the equipment and training of service providers to these renovated facilities.

Gender implications: While Djibouti is less conservative than many Muslim states in terms of gender roles, women nevertheless are severely disadvantaged in terms of health, education and in the formal economy. The USAID program addresses these problems through its emphasis on girls' education and women's literacy programs, training in life skills and improving maternal and child health. All of USAID programs seek to support activities which promote women and men in decision-making. While developing the MOE and MOH's information management systems and strategic planning frameworks, USAID ensured that gender is crosscutting at planning and reporting levels. Teaching materials and practices are gender sensitive to remove negative stereotypes and develop positive attitudes in the education environment of girls.

Challenges: Djibouti faces formidable challenges. Among the most important are Djibouti's low health and low skills levels, high population growth rate and sluggish economic growth. Djibouti suffers from high unemployment, bloated civil service rolls, poor governance and weak institutions that lack transparency. Although religious extremism is not apparent, there are elements of ethnic discontent which, if not resolved could destabilize the country. The GORD is in the initial stages of decentralization and the judicial system is weak. Chewing "khat" (a leaf stimulant) is rampant among men and is on the increase among women and children. Most Djiboutians have yet to benefit from the poverty reduction programs and funding for the PRSP is not assured. The challenge for the GORD, and a prerequisite to maintaining internal stability, is to show real progress in bringing the benefits of reforms to the Djiboutian people, to increase literacy, improve the health system, and in the longer term, create jobs. The GORD appears committed to the PRSP. The USAID program supports these objectives

Other USAID Programs: P.L. 480. Djibouti is a chronic food deficit country requiring over 13,000 metric tons (MT) of food assistance annually to meet shortfalls. In FY 2005, USAID provided 1,700 MT of

commodities valued at approximately \$1,000,000 to this program. The Office of Food for Peace continues to support WFP to target approximately 47,500 drought-affected Djiboutians. In addition, WFP provides supplementary feeding to 2,000 malnourished children under-five years old and 2,000 pregnant and lactating mothers in maternal and child health (MCH) activities. WFP also provides monthly food assistance to 300 TB patients, 1,000 people living with HIV/AIDS and 1,000 orphans and vulnerable children. USAID anticipates approximately \$1,000,500-\$2,000,000 in emergency food aid for Djibouti in FY 2006. The amount would include food for the 9,600 refugees to facilitate repatriation of refugees who want to return to their country of origin.

Through the Africa Education Initiative, USAID financed six volunteer English language teachers to Djibouti in FY 2005. This program supports the GORD's strategy for increasing English language teaching in its schools at all levels. The office also funds 1,000 scholarships to girls through the Ambassadors' Girls Scholarship Program. Through the regional food security and trade program at REDSO, a regional livestock marketing facility has been constructed in Djibouti for livestock export/import certification. The facility will be privately run and will service Somali, Ethiopian and Djiboutian livestock exports to the Middle East and other countries in the region. The USAID Famine Early Warning Systems Network (FEWSNET), monitors food security in Djibouti and provides critically needed famine early warning data, changes in household expenditure, and related information to decision/policy makers, donors and public sector entities in the country.

Key achievements:

Basic Education Improved: The program focuses on increasing access, equity and quality in basic education and non-formal training for out-of-school girls and women. The primary beneficiaries are 100,000 primary and middle schools children who will receive quality education in rehabilitated schools. In FY 2005 ten primary and one middle school were rehabilitated, with water and sanitation in most of the schools. During the year enrollment increased by 10 percent for grade one, the highest increase recorded in a single year. Enrollment increases in other rehabilitated schools ranged from 4.5 to 72 percent, with overall percentage increase in enrollment and attendance in rehabilitated schools increasing by 27 percent, higher than the target of 10 percent. The increase in enrollment is attributed to a number of factors, including meals through the PL 480 school feeding program, school kits, classroom kits, textbooks and teaching aids. The rehabilitation of schools, social marketing of education and the GORD policy also contributed to the increases in enrollment. Every primary school child in Djibouti received a school kit including a bag and basic supplies, as a way to help parents offset costs. USAID supported the distribution of 95,000 school kits, 775 sets of equipment for teachers and approximately 150,000 textbooks. USAID assisted in the development of English language audio programs, as well as students' books and facilitators' guides. The project also supported development of teachers' curriculum guides which are being used for in-service teacher training of all teachers. 71 percent of teachers in Djibouti are using new teaching strategies and all inspectors were trained, in addition to 340 school directors. The five teacher resource centers nearing completion will serve as decentralized focal points for teacher and school directors training, materials creation and improved communications, research and career development. The percentage of schools with active school community partnership increased to 57 percent. Djibouti's only "second chance school", a public vocational school, increased intake by 66 percent due to the donation of USAID-supplied infrastructure improvements. The first round of school system and community training in gender and education was conducted in the country's 6 districts. The project broadcast television and radio spots on the importance of girls' education by project-selected role models in the four local languages to reach a larger community.

Expanded Coverage of Essential Health Services: The health program seeks to increase supply of essential health services, and enhance sustainability through improved local capacity. The program will directly benefit over 150,000 Djiboutian women and children who live in the rural areas. USAID has contributed to increases in demand through the rehabilitation of three rural health clinics as part of the decentralization effort. Maternity services and in-patient beds have been added to each rehabilitated clinic. A training guide and plan have been developed and all rural health post workers were trained on at least 73 percent of the modules scheduled in the training plan. District medical teams have been established and are receiving training to improve services and supervision. A health information management system was developed and for the first time in Djibouti, community health mobilizations

programs have began, with five model sites identified.

FY 2007 Program
SO: 603-001 Basic Education Improved

Achieve Equitable Access to Quality Basic Education

FY 2006 Program
SO: 603-003 Equitable Access to Quality Basic Education Achieved

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$3,500,000 ESF; \$1,000,000 prior year ESF). USAID will initiate activities to strengthen decision-making by improving the link between budgeting, planning and efficiency. Efforts will be made to support decentralized information and resources to appropriate regional, local and school levels. USAID will support work on a national census to inform the government on investments in the education sector and the delivery of other basic services. In addition, infrastructure rehabilitation and provision of school materials and equipment will continue; water and sanitation systems will be included in the rehabilitation of approximately 36 schools, using FY 2005 carryover ESF funds. In collaboration with the U.S. military based in Djibouti, USAID will construct two rural middle school dormitories; a girls scholarship program will encourage rural girls to board in these dormitories. The design and implementation of a school-based teacher professional development program will improve teaching quality. Computers will be connected to the Internet for communications and research purposes. Hygiene lessons will be included in curricula. English language learning materials will be completed and distributed, in-service teacher training will be conducted, and an English language teacher training policy and curriculum will be developed. Principal contractors and grantees: American Institutes for Research (prime) and others to be determined.

Improve Emergency Preparedness & Disaster Mitigation

Improve Emergency Preparedness and Disaster Mitigation. USAID will support activities that supplement and improve emergency preparedness and disaster mitigation through the Famine Early Warning System Network. The \$350,000 in ESF for this activity will be obligated and managed by REDSO; these funds have been notified under REDSO's Objective 632-010 "Increased Regional Economic Growth and Integration." Principal contractors and grantees: Famine Early Warning System Network (FEWSNET).

Promote and Support Credible Elections Processes

Promote and Support Credible Elections Processes. USAID will undertake democracy and governance activities that promote and support credible election-related processes and strengthen civil society. The \$300,000 in ESF for this activity will be obligated and managed by REDSO; these funds have been notified under REDSO's Objective 623-009 "Peace Advanced in the Great Lakes and Horn of Africa." Principal contractors and grantees: To be determined.

Strengthen Civil Society

Strengthen Civil Society. USAID will promote and support parent-teacher and health associations. The \$500,000 in ESF for this activity will be obligated and managed by REDSO; these funds have been notified under REDSO's Objective 623-009, "Peace Advanced in the Great Lakes and Horn of Africa." Principal contractors and grantees: To be determined.

Activities notified under this strategic objective are part of a new strategy statement that is pending approval. Should funding levels or activities included in this data sheet change substantially once the strategy statement is approved, a new notification will be submitted prior to the obligation of any funds.

FY 2007 Program**SO: 603-003 Equitable Access to Quality Basic Education Achieved****Achieve Equitable Access to Quality Basic Education**

Achieve Equitable Access to Basic Education (\$1,280,000 ESF). USAID will work with the government and the donor community to develop a strategic planning tool that reflects the government's decentralization and community participation (e.g., parent-teacher association) policies. In addition, USAID will provide technical assistance to reinforce improved and better coordinated strategic planning, budgeting, management and decision-making. Support for infrastructure, including water and sanitation systems, and equipment supply and management will continue. Training will focus on literacy and non-formal vocational skills, with an emphasis on increasing opportunities for youth employment. Teacher training policies and opportunities for pre- and in-service teacher training will be developed, and assistance will be provided for the development of curriculum policy and revisions. Hygiene and basic health as well as civic education will be introduced into the school curriculum. Increasing girls' access to and achievement in school will continue to be emphasized. Partnerships between government schools and the private sector will be encouraged. Principal contractors and grantees: To be determined.

Improve Emergency Preparedness & Disaster Mitigation

Improve Emergency Preparedness and Disaster Mitigation. USAID will continue to support activities that supplement and improve emergency preparedness and disaster mitigation through the Famine Early Warning System Network. The \$260,000 in ESF for this activity will be obligated and managed by REDSO; these funds have been notified under REDSO's Objective 623-010 "Increased Regional Economic Growth and Integration." Principal contractors and grantees: FEWSNET.

Promote and Support Credible Elections Processes

Promote and Support Credible Elections Processes. USAID will promote and support credible election-related processes and associated analytical work that will inform and advance the promotion of good governance. The \$200,000 in ESF for this activity will be obligated and managed by REDSO; these funds have been notified under REDSO's Objective 623-009 "Peace Advanced in the Great Lakes and Horn of Africa." Principal contractors and grantees: To be determined.

Strengthen Civil Society

Strengthen Civil Society. USAID will continue to promote and support parent-teacher associations and health associations. The \$800,000 in ESF for this activity will be obligated and managed by REDSO; these funds have been notified under REDSO's SO 623-009 "Peace Advanced in the Great Lakes and Horn of Africa." Principal contractors and grantees: To be determined.

FY 2006 Program**SO: 603-004 Foster a Healthier Society****Improve Child Survival, Health & Nutrition****Prevent & Control Infectious Diseases Of Major Importance**

Prevent and Control Infectious Diseases of Major Importance (\$225,000 ESF). Prevention and control of tuberculosis and other devastating diseases will be added to the essential health package. Assistance will continue to strengthen government health policy and guidelines, particularly using disease surveillance and other health information to make informed decisions; emphasis will continue to be placed

on the decentralization of decision-making in the delivery of health care. In addition, the Regional Economic Development Services Office (REDSO) will provide regional support for the eradication of polio. Principal contractors and grantees: John Snow, Inc. (prime).

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact of HIV/AIDS (\$75,000 ESF). Programs will complement both the regional and bilateral transport corridor initiative that has a substantial impact on Djibouti, particularly among youth and other high-risk populations, such as transport workers with access to the port of Djibouti. Principal contractors and grantees: Family Health International (prime).

Activities notified under this strategic objective are part of a new strategy statement that is pending approval. Should funding levels or activities included in this data sheet change substantially once the strategy statement is approved, a new notification will be submitted prior to the obligation of any funds.

FY 2007 Program

SO: 603-004 Foster a Healthier Society

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health and Nutrition (\$660,000 ESF). USAID will strengthen service delivery, improve the management and technical skills at both the national and local level, enhance the quality of care, and increase community participation in health activities. Focus will continue on pre- and in-service training for health service providers, effective and consistent supervision of health service delivery personnel, and improving routine immunizations against basic childhood diseases, including polio. Assistance will enhance the government's capacity to provide essential services at the national and district level, including the ability to allow decentralized decision-making. USAID will continue to rehabilitate health clinics, including access to water and sanitation systems, and provision of equipment to health posts. Principal contractors and grantees: To be determined.

Prevent & Control Infectious Diseases Of Major Importance

Prevent and Control Infectious Diseases of Major Importance (\$225,000 ESF). Assistance will continue to strengthen government health policy and guidelines, particularly using disease surveillance and other health information to make informed decisions. Emphasis will continue to be placed on the decentralization of decision-making in the delivery of health care. Quality of services will be improved by completion of training for health personnel and district management personnel. Local capacity to sustain health services will be enhanced by developing community associations, selecting community health workers, and broadcasting health messages. Principal contractors and grantees: To be determined.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact of HIV/AIDS (\$75,000). Programs will continue to complement both the regional and bilateral transport corridor initiative, working particularly with youth and other high-risk groups. Principal contractors and grantees: Family Health International (prime).

Results Framework

603-001 Basic Education Improved

Program Title: Basic Education Improved

IR 1: Increased Equitable Access to Basic Education

IR 2: Improved Quality of Teaching and Learning

IR 3: Improved Opportunities for Girls' Education

603-002 Expanded Coverage of Essential Health Services

Program Title: Expanded Coverage of Essential Health Services

IR 1: Increased Supply of Essential Health Services

IR 2: Improved Quality of Services

IR 3: Enhanced Local Capacity to Sustain Health Services

603-003 Equitable Access to Quality Basic Education Achieved

Program Title: Basic Education Improved

IR 1: Improved Strategic Planning and Decision Making

IR 2: Increased Equitable Access to Basic Education

IR 3: Improved Quality of Teaching and Learning

IR 4: Improved Opportunities for Girls Education

603-004 Foster a Healthier Society

Program Title: Foster a Healthier Society

IR 1: Strengthen Health Systems

IR 2: Improved Access to and Promotion of Primary Health Care

IR 3: Enhance Local Capacity